

SENATE FLOOR VERSION

February 17, 2026

SENATE BILL NO. 1476

By: Rader of the Senate

and

Moore of the House

An Act relating to Commissioners of the Land Office; amending 64 O.S. 2021, Sections 1002, 1002A, 1003, 1004, 1006, 1007, 1010, 1011, 1013, as amended by Section 40, Chapter 228, O.S.L. 2022, 1022, 1023, as amended by Section 1, Chapter 360, O.S.L. 2025, 1034, 1047, 1052, 1053, 1055, 1056, 1063, 1069, 1071, 1086, 1089, and 1, Chapter 429, O.S.L. 2024 (64 O.S. Supp. 2025, Sections 1013, 1023, and 1096), which relate to the Commissioners of the Land Office Modernization Act; modifying the powers and authority of the Commissioners; allowing, rather than requiring, the Commissioners to exchange land for certain properties; authorizing, rather than requiring, the Commissioners to request certain easement via petition; replacing reference to realtors with reference to real estate licensees; authorizing licensees to be used for certain purpose; directing the Lieutenant Governor to serve as vice chair in the absence of certain election; modifying authority of Secretary of the Land Office; directing the Commissioners to maintain certain licenses for certain employees; removing language creating a cash drawer change fund; allowing the permanent school fund to be invested in certain investments; removing language providing for calculation of investments in real property; allowing the Commissioners to retain external real estate property managers; modifying method for choosing investment managers and investment property managers; allowing investment real estate property managers full discretion on certain leasing and operations; directing execution of certain leases upon approval of the Secretary of the Land Office; exempting certain leases from term

1 limitations; defining term; removing references to
2 the Cash Management and Investment Oversight
3 Commission; requiring electronic submission of
4 certain report; prohibiting the Commissioners from
5 taking any action to impede certain development;
6 exempting certain investment real estate from certain
7 term limitations; directing investment real estate
8 leases to provide for certain value; prohibiting an
9 abstention from being considered in certain vote;
10 requiring the Commissioners to advertise certain sale
11 of lands and improvements; modifying frequency of
12 publication of sale; allowing certain designee to
13 provide certain information; clarifying requirement
14 to appraise certain improvements; allowing certain
15 public auction to be held via live bidding or a
16 combination of live and online bidding; allowing the
17 Commissioners to issue certain patent to certain
18 purchaser; directing patent or deed to contain
19 certain provisions; clarifying the authority of the
20 Commissioners over certain leasing; allowing oil and
21 gas leases to be encumbered; modifying source of
22 funds for the Multiyear Education Distribution
23 Stabilization Revolving Fund; allowing the
24 Commissioners to convey certain execution ability to
25 the Secretary of the Land Office; providing for
26 approval of exchange of state-owned lands; clarifying
27 application of certain contracting requirement;
28 making language gender neutral; updating statutory
29 reference; updating statutory language; repealing 64
30 O.S. 2021, Sections 1014, 1021, 1030, 1050, 1054, and
31 1061, which relate to the Commissioners of the Land
32 Office Modernization Act; providing an effective
33 date; and declaring an emergency.

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1 appreciation of the trust estate and the maximum return from the use
2 of state school lands for the support and maintenance of the common
3 schools of the state, the Commissioners of the Land Office, as
4 trustees of the state school lands, are hereby authorized and
5 empowered to:

6 1. Categorize the state school lands as agricultural or,
7 commercial, or investment according to the use which the
8 Commissioners of the Land Office determine from time to time to be
9 most beneficial to the interest of the present and future
10 beneficiaries of the this state;

11 2. Sell, at public auction after appraisement, the surface
12 interest in any state school land categorized by the Commissioners
13 of the Land Office to be excess or when determined to be in the best
14 interest of the trust;

15 3. Institute projects to develop and improve those state school
16 lands which are categorized as commercial or investment lands;

17 4. Acquire by exchange, purchase, gift, or grant all real
18 property and to acquire by exchange, purchase, gift, or grant all
19 personal property including donations and funds necessary for the
20 purpose of utilizing trust lands for the development of commercial
21 and, agricultural, investment, oil and gas, or other leases or
22 Commissioners of the Land Office operations to maximize trust income
23 for present and future beneficiaries; and

24

1 5. Exchange any real property of the trust for other real
2 property of equal or greater value to maximize income for present
3 and future beneficiaries, in accordance with and under the safeguard
4 of trust requirements; and

5 6. Purchase, own, and operate motor vehicles necessary for use
6 in their operations and purchase insurance on such motor vehicles in
7 accordance with statutory provisions and subject to the approval of
8 the Risk Management Administrator as provided for in Section 85.58A
9 of Title 74 of the Oklahoma Statutes.

10 SECTION 2. AMENDATORY 64 O.S. 2021, Section 1002A, is
11 amended to read as follows:

12 Section 1002A. The Commissioners of the Land Office shall may,
13 in compliance with Oklahoma law and all of the duties as trustees,
14 use their best efforts to exchange undeveloped land owned by the
15 Commissioners of the Land Office for privately held investment or
16 commercial properties and. Before approving such exchange, the
17 Commissioners of the Land Office shall consider the impact on
18 affected taxing districts prior to the exchange or purchase of
19 investment or commercial properties.

20 SECTION 3. AMENDATORY 64 O.S. 2021, Section 1003, is
21 amended to read as follows:

22 Section 1003. A. The Commissioners of the Land Office may
23 grant easements to entities with power of eminent domain pursuant to
24 the policies of Section 13 of Title 27 of the Oklahoma Statutes.

1 B. The Commissioners shall, upon written application, grant
2 easements to:

3 1. Nonprofit rural water districts organized pursuant to
4 Section 863 of Title 18 of the Oklahoma Statutes;

5 2. Rural water districts organized pursuant to the Rural Water,
6 Sewer, Gas and Solid Waste Management Districts Act; or

7 3. Rural electric cooperatives organized pursuant to Section
8 437 et seq. of Title 18 of the Oklahoma Statutes, for the purpose of
9 laying a water or power line upon the property.

10 C. Prior to the granting of such easement, ~~an appraisal shall~~
11 ~~be conducted to the Commissioners of the Land Office shall~~ determine
12 the fair market value of the easement. ~~The If the~~ district or
13 cooperative requesting the easement ~~shall~~ disagrees with such value,
14 it may petition the ~~District Court~~ district court in the county in
15 which the easement is located to determine the fair market value of
16 the easement. The court shall appoint three disinterested persons
17 who are residents of that county who shall first take an oath to
18 fairly and impartially appraise the value of the easement. The
19 appraisers shall meet and determine the fair market value of the
20 easement, in writing, and return the same under their signatures to
21 the court. Said The appraisal shall show the fair market value of
22 the easement. ~~Appraiser's~~ Appraiser fees shall be set by the court
23 and charged to the requesting district or cooperative as costs. The
24 district or cooperative shall enclose a certified copy of the

1 appraisal and payment in the amount of the appraised value with its
2 written request for easement to the Commissioners of the Land
3 Office. Except for the amount received for the granting of an
4 easement, no additional fees or other charges shall be assessed by
5 the Commissioners of the Land Office for the granting of such
6 easement.

7 D. The granting of easements pursuant to this section shall be
8 timely and shall not exceed sixty (60) days from date that the
9 appraisal is submitted to the district court.

10 E. Easements shall run concurrently with the life of the
11 facilities installed.

12 SECTION 4. AMENDATORY 64 O.S. 2021, Section 1004, is
13 amended to read as follows:

14 Section 1004. The Commissioners of the Land Office may retain
15 ~~realtors~~ real estate licensees for the purpose of securing tenants
16 in the ~~commercial~~ leasing of investment and commercial trust
17 property and for the purpose of assisting with the sale of
18 investment and commercial trust property. ~~Realtors~~ Real estate
19 licensees shall be chosen by a solicitation of proposals on a
20 competitive bid basis pursuant to standards set by the
21 Commissioners. The process of selecting ~~realtors~~ real estate
22 licensees shall be exempt from the Oklahoma Central Purchasing Act.
23 The ~~Commission~~ Commissioners may pay ~~realtors~~ real estate licensees

1 retained to secure tenants for trust property or assist with the
2 sale of trust property on a commission basis.

3 SECTION 5. AMENDATORY 64 O.S. 2021, Section 1006, is
4 amended to read as follows:

5 Section 1006. The Governor ~~of the State of Oklahoma~~ shall be
6 designated as ~~chairman~~ chair ex officio of the Commissioners of the
7 Land Office. The Commissioners ~~shall~~ may elect from their body a
8 ~~vice-chairman~~ vice chair whose duty it shall be to act as ~~chairman~~
9 chair in the absence of the ~~chairman~~ chair or in case of the
10 failure, neglect, or refusal of the ~~chairman~~ chair to act. In the
11 absence of such an election, the Lieutenant Governor of this state
12 shall serve as the vice chair.

13 The Secretary of the Land Office shall select for employment all
14 employees as may be deemed necessary and appropriate to properly
15 operate the Land Office, except the General Counsel for the ~~Land~~
16 ~~Commission~~ Commissioners of the Land Office who shall be selected by
17 a majority of the ~~Commission~~ Commissioners.

18 The Commissioners, by a majority vote, may remove the Secretary
19 of the Land Office and the General Counsel of the Land Office. The
20 Secretary may discharge and remove any employee of the Land Office.

21 SECTION 6. AMENDATORY 64 O.S. 2021, Section 1007, is
22 amended to read as follows:

23 Section 1007. ~~The head of each division in the Department of~~
24 ~~the Commissioners of the Land Office shall be under the immediate~~

1 ~~supervision and command, in the administration of their divisions,~~
2 ~~or~~ Subject to the requirements of the Commissioners of the Land
3 Office Modernization Act, the Secretary of the Land Office shall
4 have the authority and discretion to organize and maintain the
5 organizational structure of the Land Office.

6 SECTION 7. AMENDATORY 64 O.S. 2021, Section 1010, is
7 amended to read as follows:

8 Section 1010. The Commissioners of the Land Office shall be
9 responsible for and pay the fee for ~~obtaining~~ maintaining a real
10 estate ~~appraiser~~ license including, but not limited to, real estate
11 licensee, broker, and appraiser licenses for any Land Office
12 employee who is required to ~~obtain~~ maintain such license to perform
13 job duties.

14 SECTION 8. AMENDATORY 64 O.S. 2021, Section 1011, is
15 amended to read as follows:

16 Section 1011. ~~A.~~ There is hereby created a revolving fund for
17 the Commissioners of the Land Office to be designated the
18 "Commissioners of the Land Office Revolving Fund". The fund shall
19 be a continuing fund not subject to fiscal year limitations and into
20 which shall be paid all fees that may be collected by the
21 Commissioners of the Land Office, transfers from other revolving
22 funds of the Commissioners of the Land Office, and any monies
23 designated for transfer into the fund. In addition, available
24 monies received within an annual period may be added to the fund

1 upon designation by the Secretary of the Land Office; in such case
2 the funds are hereby appropriated and may be budgeted and expended
3 by the Commissioners of the Land Office within the annual period in
4 which received or thereafter in the performance of the
5 constitutional and statutory trust duties of the Commissioners of
6 the Land Office. Monies from the fund may be used to pay for all
7 books, forms, and other necessary equipment and supplies for the
8 installation and maintenance of a modern system of accounting,
9 necessary printing expenses, abstracts, refunds, expenses incidental
10 to the operation of the Land Office, necessary communication and
11 traveling expenses incurred by the employees of the Land Office,
12 attorney fees and litigation expenses, collection costs and
13 expenses, distributions, and conservation and commercial property
14 upgrades. The Commissioners of the Land Office may also use monies
15 in the revolving fund for any expenses of the Land Office related to
16 personal personnel services, operating expenses, the purchase of
17 equipment, and for the performance of all duties necessary and as
18 may be prescribed to carry out the function of the Land Office. All
19 funds accruing to the fund are hereby appropriated. Monies in the
20 fund may be invested by the State Treasurer in the manner prescribed
21 in Section 89.1a et seq. of Title 62 of the Oklahoma Statutes.
22 Interest income derived from the investment of monies in the fund
23 shall be credited to and placed in the fund.
24

1 B. There is hereby created a cash drawer change fund for the
2 Commissioners of the Land Office. The fund shall be used as cash
3 for the Land Office to make change for customers and for the payment
4 of emergency purchases and bills. The amount held in the fund shall
5 not exceed One Thousand Dollars (\$1,000.00). The initial amount in
6 the fund shall be drawn by warrant from the revolving fund created
7 pursuant to subsection A of this section. All adjustments to the
8 amount retained in the fund shall be by withdrawal and deposit in
9 the revolving fund established pursuant to subsection A of this
10 section upon the filing of a claim with proper receipts showing the
11 disbursement therefrom. Officers, employees or agents of the Land
12 Office shall be prohibited from receiving change from the fund.

13 SECTION 9. AMENDATORY 64 O.S. 2021, Section 1013, as
14 amended by Section 40, Chapter 228, O.S.L. 2022 (64 O.S. Supp. 2025,
15 Section 1013), is amended to read as follows:

16 Section 1013. A. The Commissioners of the Land Office shall be
17 responsible for the investment of the permanent school funds, other
18 educational funds, and public building funds solely in the best
19 interests of the current and future beneficiaries. The
20 Commissioners of the Land Office shall make investments:

21 1. For the exclusive purpose of:
22 a. providing maximum benefits to current and future
23 beneficiaries, and
24

- b. defraying reasonable expenses of administering the trust funds;

2. With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like enterprise of a like character and with like aims would use; and

3. By diversifying the investments of the trust funds so as to minimize the risk of large losses.

B. The permanent school fund and other educational funds may only be invested in bonds issued in the United States, United States dollar denominated or other investments settled in United States dollars or traded on the United States exchange markets, investments subject to the Invest in Oklahoma Act, private equity or private credit investments, and real property to be owned or acquired by the Commissioners of the Land Office. The Commissioners of the Land Office shall not invest more than sixty percent (60%) of the trust fund investments in equity securities. The Commissioners of the Land Office are further authorized to acquire, purchase, exchange, and grant any real property under ~~its~~ their jurisdiction as is necessary to carry out the investment in the real property, which shall be classified specifically as investment property. The

Commissioners of the Land Office shall not invest more than five percent (5%) of the total value of the assets of the permanent school funds in connection with real property classified as investments in real property. The calculation of investments in

1 ~~real property within the five percent (5%) cap shall not include the~~
2 ~~value of real property under long term lease to the State of~~
3 ~~Oklahoma, agencies of the state or subdivisions thereof.~~ In no case
4 shall the Commissioners of the Land Office bid against private-
5 sector bidders above the appraised value of any property to be
6 acquired.

7 C. The Commissioners shall establish an investment committee.
8 The investment committee shall be composed of not ~~more~~ fewer than
9 three members of the Commissioners of the Land Office or their
10 designees. The committee shall make recommendations to the
11 Commissioners of the Land Office on all matters related to the
12 choice of managers of the assets of the funds, on the establishment
13 of investment and fund management guidelines, and in planning future
14 investment policy. The committee shall have no authority to act on
15 behalf of the Commissioners of the Land Office in any circumstances
16 whatsoever. No ~~recommendations~~ recommendation of the committee
17 shall have effect as an action of the Commissioners of the Land
18 Office or take effect without the approval of the Commissioners as
19 provided by law. The Commissioners shall promulgate and adopt on an
20 annual basis an investment plan. The investment plan shall state
21 the criteria for selecting investment managers, the allocation of
22 assets among investment managers, and established standards of
23 investment and fund management.

24

1 D. The Commissioners shall retain qualified investment managers
2 to provide for investment of the fund monies and may retain external
3 real estate property managers for the management of investment real
4 property pursuant to the investment plan. Investment managers and
5 investment property managers shall be chosen ~~by a solicitation of~~
6 ~~proposals on a competitive bid basis~~ pursuant to standards set by
7 the Commissioners in compliance with Section 85.7 of Title 74 of the
8 Oklahoma Statutes. Subject to the investment plan, each investment
9 manager shall have full discretion in the management of the funds ~~or~~
10 ~~investment real property~~ allocated to ~~the investment managers~~ each
11 manager. The funds allocated to investment managers shall be
12 actively managed by them, which may include selling investments and
13 realizing losses if the action is considered advantageous to longer
14 term return maximization. Because of the total return objective, no
15 distinction shall be made for management and performance evaluation
16 purposes between realized and unrealized capital gains and losses.
17 Subject to the investment plan, investment real estate property
18 managers shall have full discretion on leasing and operations of the
19 investment real estate under their management subject to budget
20 restrictions placed by the Commissioners of the Land Office.
21 Further, all leases pertaining to the investment real estate shall
22 be executed by the Commissioners of the Land Office upon approval by
23 the Secretary of the Land Office. Leases on investments shall be
24 exempt from term limitations for commercial property held by the

1 Commissioners of the Land Office as long as the investments are
2 managed by external investment real estate property managers and the
3 lease terms are consistent with the market. For the purposes of
4 this section, "investment real estate" means properties purchased as
5 investments and managed as part of the investment plan.

6 E. The Commissioners shall take any measures they deem
7 appropriate to safeguard custody of securities and other assets of
8 the trusts.

9 F. By September 1 of each year, the Commissioners shall develop
10 a written investment plan for the trust funds.

11 G. The Commissioners shall compile a quarterly financial report
12 showing the performance of all the combined funds under their
13 control on a fiscal year basis. The report shall contain a list of
14 all investments made by the Commissioners and a list of any
15 commissions, fees, or payments made for services regarding the
16 investments for that reporting period. The report shall be based on
17 market values and shall be compiled pursuant to uniform reporting
18 standards prescribed by the Oklahoma State Pension Commission for
19 all state retirement systems. The report shall be electronically
20 distributed to the Oklahoma State Pension Commission, ~~the Cash~~
21 ~~Management and Investment Oversight Commission,~~ and the Legislative
22 Service Bureau.

23 H. Before January 1 of each year, the Commissioners shall
24 publish an annual report of all ~~Trust~~ trust operations, presented in

1 a simple and easily understood manner to the extent possible. The
2 report shall be submitted electronically to the Governor, the
3 Speaker of the House of Representatives, the President Pro Tempore
4 of the Senate, the State Department of Education, and each higher
5 education beneficiary. The annual report shall cover the operation
6 of the ~~Trusts~~ trusts during the past fiscal year including income,
7 disbursements, and the financial condition of the ~~Trusts~~ trusts at
8 the end of each fiscal year on a cash basis. The annual report
9 shall also contain a summary of the assets of each trust and current
10 market value as of the report date.

11 I. The ~~Cash Management and Investment Oversight Commission~~
12 Invest in Oklahoma Board shall review reports prepared by the
13 Commissioners of the Land Office ~~pursuant to this subsection~~
14 pertaining to their investments made in the Invest in Oklahoma
15 program and shall make recommendations regarding the investment
16 strategies and practices, the development of internal auditing
17 procedures and practices, and any other matters as determined
18 necessary and applicable.

19 J. The Commissioners of the Land Office shall select one or
20 more custodial banks to settle transactions involving the investment
21 of the funds under the control of the Commissioners of the Land
22 Office. The Commissioners of the Land Office shall review the
23 performance of each custodial bank at least once every year. The
24 Commissioners of the Land Office shall require a written competitive

1 bid every ten (10) years. The custodial bank shall have a minimum
2 of Five Hundred Million Dollars (\$500,000,000.00) in assets to be
3 eligible for selection. Any out-of-state custodial bank shall have
4 a service agent in the State of Oklahoma so that service of summons
5 or legal notice may be had on the designated agent, and the bank
6 shall submit to the jurisdiction of Oklahoma state courts for
7 resolution of any and all disputes. In order to be eligible for
8 selection, the custodial bank shall allow electronic access to all
9 transaction and portfolio reports maintained by the custodial bank
10 involving the investment of state funds under control of the
11 Commissioners of the Land Office ~~and to the Cash Management and~~
12 ~~Investment Oversight Commission~~. The requirement for electronic
13 access shall be incorporated into any contract between the
14 Commissioners of the Land Office and the custodial bank. Neither
15 the Commissioners of the Land Office nor the custodial bank shall
16 permit any of the funds under the control of the Commissioners of
17 the Land Office or any of the documents, instruments, securities, or
18 other evidence of a right to be paid money to be located in any
19 place other than within a jurisdiction or territory under the
20 control or regulatory power of the United States government.

21 SECTION 10. AMENDATORY 64 O.S. 2021, Section 1022, is
22 amended to read as follows:

23 Section 1022. The Commissioners of the Land Office shall
24 reserve and retain one hundred percent (100%) of all oil, gas, and

1 other minerals under any school lands and shall not sell nor take
2 any action to impede the development of any oil, gas, or other
3 mineral interest under the authority or jurisdiction of the
4 Commissioners.

5 SECTION 11. AMENDATORY 64 O.S. 2021, Section 1023, as
6 amended by Section 1, Chapter 360, O.S.L. 2025 (64 O.S. Supp. 2025,
7 Section 1023), is amended to read as follows:

8 Section 1023. A. The Commissioners of the Land Office are
9 authorized to grant commercial leases and agricultural leases in
10 trust property.

11 Commercial leases shall not exceed fifty-five (55) years. The
12 granting of any commercial lease in excess of three (3) years shall
13 be by public bidding at not less than fair market value. All
14 commercial leases shall provide for fair market value throughout the
15 term of the lease. Such term limitations shall not apply to
16 investment real estate as defined in subsection D of Section 1013 of
17 this title. All investment real estate leases shall provide for
18 fair market value throughout the term of the lease.

19 Agricultural leases of trust property shall be limited to a
20 maximum of five (5) years and shall be by public bidding at not less
21 than fair market value.

22 The granting of any interest in trust property at less than fair
23 market value or not in compliance with this section is void.

24

1 Any permanent improvement made on commercial trust property from
2 and after July 1, 1989, shall revert to the trust at the end of the
3 lease.

4 B. In connection with any commercial and agricultural leases,
5 the Commissioners of the Land Office shall, unless otherwise
6 exempted by the Constitution or laws of this state:

7 1. Require payment of ad valorem property taxes on any
8 improvements and structures on state school land, which would
9 otherwise be subject to ad valorem property taxation if constructed
10 on privately owned land; and

11 2. Indemnify and hold harmless the Commissioners of the Land
12 Office from any financial obligation related to land, financing, or
13 operation.

14 C. An appraiser selected by the Commissioners of the Land
15 Office shall appraise any improvements approved by the Commissioners
16 of the Land Office made to the property leased as an agricultural
17 lease by the current lessee that cannot be removed without manifest
18 injury to the land. When the Commissioners enter into a new lease
19 for the property, the lease shall require the new lessee to
20 reimburse the previous lessee for the appraised value of any
21 improvements made by the previous lessee by the date the new lessee
22 is permitted to take occupancy of the property. It shall be
23 considered a default of the lease of the property to the new lessee
24 if such reimbursement is not made. Provided, no fees may be charged

1 to a lessee above those included in the originally accepted bid to
2 irrigate land used for agricultural purposes if the water is not
3 sourced from lands owned or managed by the Commissioners.

4 D. The Commissioners of the Land Office may refuse to accept
5 any bid or lease on a commercial, agricultural, or mineral lease
6 where the party is in default of any installment due or in violation
7 of any provisions contained in a prior or current lease contract.

8 E. The Commissioners of the Land Office may refuse to accept
9 any bid or lease contract where the interested party cannot show
10 adequate creditworthiness as determined by the Land Office.

11 F. The Commissioners of the Land Office shall promulgate rules
12 to implement the provisions of this section.

13 SECTION 12. AMENDATORY 64 O.S. 2021, Section 1034, is
14 amended to read as follows:

15 Section 1034. A permanent minute record shall be kept of all
16 proceedings had by the Commissioners of the Land Office. ~~No~~ Unless
17 otherwise specified in the Commissioners of the Land Office
18 Modernization Act, no action of the Commissioners of the Land Office
19 shall be valid unless voted on by at least three members with the
20 majority of votes cast in favor of the action. An abstention shall
21 not be considered a vote cast. No action taken, or which may be
22 taken by the Commissioners of the Land Office, may be rescinded
23 except by a three-fifths (3/5) or greater vote of the full
24 membership of the ~~Board of~~ Commissioners of the Land Office. The

1 Commissioners of the Land Office shall approve the minutes of each
2 ~~Board~~ meeting at the next succeeding meeting.

3 SECTION 13. AMENDATORY 64 O.S. 2021, Section 1047, is
4 amended to read as follows:

5 Section 1047. Before selling lands and improvements authorized
6 to be sold, the Commissioners of the Land Office shall advertise the
7 sale by publication calculated to bring the highest and best bids.
8 Before selling any public, state, or school lands, the Commissioners
9 of the Land Office shall advertise the fact that the sale shall be
10 had by publication in ~~four consecutive issues of at least one weekly~~
11 a newspaper of general circulation at least once per week for four
12 (4) consecutive weeks in the county in which said such lands are
13 situated. The notice shall state the time, place, and terms of
14 sale, give a brief description of the land and improvements, and of
15 the appraised value of the land and the appraised value of the
16 improvements, and state that any further information that is desired
17 may be obtained by addressing the Secretary to the Commissioners of
18 the Land Office or his or her designee.

19 SECTION 14. AMENDATORY 64 O.S. 2021, Section 1052, is
20 amended to read as follows:

21 Section 1052. Before any lands under the jurisdiction and
22 control of the Commissioners of the Land Office, covered by
23 preference right leases and the improvements located on the land are
24 owned by the lessees, shall be offered for sale and sold, the

1 Commissioners of the Land Office shall cause the same to be
2 appraised by three disinterested appraisers, who are nonresidents of
3 the county in which the land is situated, to be selected by the
4 Secretary of the Land Office. The appraisers, before entering upon
5 their duties, shall take and subscribe to the oath required of state
6 officers. The appraisers shall make a true appraisement of the
7 lands at the actual cash value thereof, exclusive of all
8 improvements, and shall separately appraise all improvements owned
9 by the lessee which ~~can~~ cannot be removed without manifest injury to
10 the land.

11 SECTION 15. AMENDATORY 64 O.S. 2021, Section 1053, is
12 amended to read as follows:

13 Section 1053. The lands authorized to be sold shall be offered
14 for sale to the highest bidder at public auction in the county in
15 which the land is situated. The auction may be held via live
16 bidding or a combination of live bidding and online bidding
17 submitted via the Internet or similar electronic means. The sale
18 shall be ~~made~~ closed and completed within six (6) months from the
19 date of the ~~final~~ approval of the appraisement by the Commissioners
20 of the Land Office, unless for good cause shown, the Commissioners
21 of the Land Office extend the time of offering the land for sale for
22 a period not to exceed one (1) year from the effective date of the
23 ~~final approval of~~ the appraisement.

1 SECTION 16. AMENDATORY 64 O.S. 2021, Section 1055, is
2 amended to read as follows:

3 Section 1055. The Commissioners of the Land Office upon
4 completion of the sale of lands and improvements and receipt of the
5 purchase price shall issue a patent or deed to the purchaser which
6 shall contain a provision reserving the oil, gas, and other
7 minerals, and any other property or property right as provided for
8 in this title, required by law, or required by resolution of the
9 Commissioners of the Land Office.

10 SECTION 17. AMENDATORY 64 O.S. 2021, Section 1056, is
11 amended to read as follows:

12 Section 1056. Except as otherwise provided by law, all the
13 public lands of this state shall be subject to lease in the manner
14 provided by law. The Commissioners of the Land Office shall have
15 charge of the leasing of the lands under their control.

16 SECTION 18. AMENDATORY 64 O.S. 2021, Section 1063, is
17 amended to read as follows:

18 Section 1063. The Commissioners of the Land Office are
19 authorized to lease for oil and gas purposes any of the school or
20 other lands owned by the State of Oklahoma, which such Commissioners
21 may deem valuable for oil and gas. Each such lease shall be a
22 commence-type lease and shall provide for a term not less than one
23 (1) year and not to exceed five (5) years and as long thereafter as
24 oil or gas may be produced therefrom in paying quantities, upon such

1 terms and conditions and in such quantities as the Commissioners
2 shall by rules and regulations prescribe. Each such lease shall
3 provide for the delivery to the state of a royalty of not less than
4 one-eighth (1/8) part of the oil or gas produced from the leased
5 premises or in lieu thereof, the payment to the state of the market
6 value of said such royalty interest, as the Commissioners may elect.
7 The leases shall be offered by public competition after notice of
8 the lease auction published one time not less than thirty (30) days
9 prior to the lease auction date in two newspapers authorized by law
10 to publish legal notices. One of the newspapers shall be published
11 in the county where the land is located or other newspaper as
12 authorized by Section 106 of Title 25 of the Oklahoma Statutes. The
13 other shall be a newspaper of general circulation in this state.
14 Such leasing shall be let by sealed bids and each lease awarded to
15 the highest responsible bidder, such. Such oil and gas leases may
16 be assigned or encumbered only with the consent and approval of the
17 Commissioners of the Land Office; provided, the Commissioners have
18 the right to reject any and all bids. The Commissioners of the Land
19 Office shall provide any other notice of oil and gas lease sales to
20 all interested parties by any means it determines is needed to
21 attract the best competition.

22 SECTION 19. AMENDATORY 64 O.S. 2021, Section 1069, is
23 amended to read as follows:

1 Section 1069. A. The proceeds derived in bonuses and royalties
2 and from other inducements and considerations for the execution and
3 operation of the oil and gas leases as authorized in this title,
4 except oil and gas leases on state-owned lands set apart and
5 designated for the use, benefit, and occupancy of state educational
6 institutions, shall be for the use and benefit of the lands which
7 were granted by the United States to the State of Oklahoma, and to
8 the territory now comprising the area embraced within the state,
9 under the provisions of the Enabling Act and any and all other Acts
10 of Congress. Bonus and delay rental income received by the Land
11 Office and other income as designated by the Secretary of the Land
12 Office for transfer and received by the Land Office may be
13 distributed to current beneficiaries in like manner as lease income
14 received from surface leases, except that if determined to be in the
15 best interest of the trust, the distributions may be made upon a
16 schedule determined by a five-year rolling average of bonus and
17 delay rental income.

18 B. There is hereby created a revolving fund for the
19 Commissioners of the Land Office to be designated the "Multiyear
20 Education Distribution Stabilization Revolving Fund". The fund
21 shall be a continuing fund, not subject to fiscal year limitations,
22 and ~~shall consist of bonus and delay rental income received by the~~
23 ~~Commission~~ subject to distribution, if it is determined by the
24 ~~Commission~~ Commissioners to be in the best interest of the trust to

1 make distributions of ~~the income~~ any such funds upon a five-year
2 rolling average schedule as authorized in subsection A of this
3 section. Monies in the fund may be invested by the State Treasurer
4 in the manner prescribed in Section 89.1a et seq. of Title 62 of the
5 Oklahoma Statutes. Interest income derived from the investment of
6 monies in the fund shall be credited to and placed in the fund.

7 SECTION 20. AMENDATORY 64 O.S. 2021, Section 1071, is
8 amended to read as follows:

9 Section 1071. The lands described in Section ~~290~~ 1070 of this
10 title are to be leased under the same provisions as the school and
11 other lands of the State of Oklahoma.

12 SECTION 21. AMENDATORY 64 O.S. 2021, Section 1086, is
13 amended to read as follows:

14 Section 1086. Any instrument, easement, contract, or deed which
15 may be required in, or convenient to, the exercise of the powers
16 granted in Section ~~1~~ 1001 of this ~~act~~ title shall be executed by the
17 ~~chairman~~ chair or presiding officer and attested by the secretary,
18 if such instrument ~~be~~ is executed by a board or commission, and if
19 such instrument ~~be~~ is executed by an officer, it shall be signed by
20 ~~said~~ the officer. No such contract, easement, deed, or instrument
21 of conveyance shall be effective unless and until the approval of
22 the Governor is endorsed thereon in writing. The Commissioners of
23 the Land Office may via resolution convey the ability to execute

1 certain instruments, easements, contracts, and leases to the
2 Secretary of the Land Office.

3 SECTION 22. AMENDATORY 64 O.S. 2021, Section 1089, is
4 amended to read as follows:

5 Section 1089. Each and all of the rights, powers, and remedies
6 granted and conferred by the terms of ~~this act~~ the Commissioners of
7 the Land Office Modernization Act shall be cumulative and shall be
8 construed to be in addition to those already existing, except that
9 at any private or voluntary sale or exchange of state-owned lands by
10 the Commissioners of the Land Office such sale or exchange shall be
11 held finally approved only upon ~~resolution adopted by~~ a unanimous
12 vote of the voting members of the Commissioners of the Land Office
13 present.

14 SECTION 23. AMENDATORY Section 1, Chapter 429, O.S.L.
15 2024 (64 O.S. Supp. 2025, Section 1096), is amended to read as
16 follows:

17 Section 1096. The Commissioners of the Land Office and the
18 Office of Management and Enterprise Services (OMES) shall contract
19 with the Department of Public Safety for security and law
20 enforcement services in all facilities under the jurisdiction of the
21 Commissioners of the Land Office, OMES, or the Department within the
22 State Capitol Park in Oklahoma City and the Executive Center at 201
23 West 5th Street and appurtenances thereto in Tulsa. The requirement
24 of this section shall only apply if such specific properties are

1 owned by the Commissioners and are at least fifty percent (50%)
2 occupied by State of Oklahoma governmental entities.

3 SECTION 24. REPEALER 64 O.S. 2021, Sections 1014, 1021,
4 1030, 1050, 1054, and 1061, are hereby repealed.

5 SECTION 25. This act shall become effective July 1, 2026.

6 SECTION 26. It being immediately necessary for the preservation
7 of the public peace, health, or safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

10 COMMITTEE REPORT BY: COMMITTEE ON EDUCATION
11 February 17, 2026 - DO PASS

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